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TESTIMONY

OF

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NEW ENGLAND CABLE & TELECOMMUNICATIONS ASSOCIATION, INC.

ON

PROPOSED HOUSE BILL 5228

INTRODUCTION:

My name is Bill Durand. I am the Executive Vice President & Chief Counsel for the New England Cable & Telecommunications Association, Inc. otherwise known as NECTA. NECTA represents all private cable operators in Connecticut and substantially all cable companies in the New England region. Although these communication companies represented by NECTA are primarily known for their video entertainment businesses, many also through various subsidiaries own professional sports franchises, manage arenas and stadia, and are otherwise engaged in the sports and concert businesses. NECTA respectfully submits testimony on Proposed House Bill No. 5228.

DISCUSSION:

NECTA opposes HB 5225 because Connecticut's current ticket resale law strikes the right balance in protecting consumers and property rights. In fact, the current law was recognized in 2008 by the Council of State Governments

(CSG) when it was included in CSG's model legislation for the rest of the country to follow by virtue of the fact that it represents such a successful compromise between business and consumer interests in this complex marketplace. There is simply no compelling reason to change this nationally recognized and highly regarded area of Connecticut law.

A ticket is a mere license to enter a venue to see a particular event (game, concert, play performance, etc.). And as licenses, tickets are sold subject to certain terms and conditions. Some of these are rules to promote event safety, but others—including those involving resale—protect the intellectual property interests that the original ticket issuers have in their games and events. HB 5225 seeks to use state law to intrude on those property and contractual rights in a way that will ultimately hurt not only the original event investors, but also state consumers.

For example, recent experience shows that one undeniable aspect of unfettered online ticket resale is dramatically increased prices to consumers — price inflation that has nothing to do with the production of the event.

That inflation has negative and lasting consequences on the team, performer, other original event investors, and local venue and its employees when resale drives prices out of the reach of regular fans. For example, fans that have to pay a reseller too much for tickets to take their family to an event often economize in other ways by not spending as much at the venue than they otherwise would have.

Moreover, being priced out of an event can adversely impact the performer's brand. Live performances are only one facet of a sports team or popular entertainer's activities, and when fans are locked out of events by ticket unavailability or high prices, it's the performer that suffers the effect of the fan disappointment.

CONCLUSION:

For all of the above, NECTA respectfully opposes HB 5225.

Dated: February 25, 2010